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Pros and Cons of Building a House

Posted on May 2, 2011 by Money Reasons • 20 Comments



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McMansion

When my wife and I were looking to buy a house, at first we just wanted to buy an existing house. Our theory was that it would be cheaper.

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After over 6 months of causal searching, we started coming to the realization that building a house was almost as cheap as buying an existing house, at least where we live. So we decided to build a new house instead of buying an existing home.

Below are some of the Pros and Cons of building a house that we've experienced.

Pros of Building a House

- New houses are safer! The inspection process that counties impose really do help with the safety of the house and make sure that the utility systems (electrical, gas) are safe.
- New Appliances such as water tanks and the furnace last longer because they are brand new!
- The roof tiles on the roof will last longer because they are new.
- And the biggest advantage is that you won't immediately need to redo a room that you hate! I've seen this happen way to often! A family buys a house that's \$5,000 cheaper than building a new house, but then spends \$10,000 to replace fixtures that they hate because they are so out of date. Or they will totally redo a room like the kitchen...
- New houses are practically repair free for the first 10 years.
- Highly reduced chance of the house having black mold.
- Although not recommended because of resale potential, you can design your house to look any way that you want!



Spaceship House

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Cons of Building a House

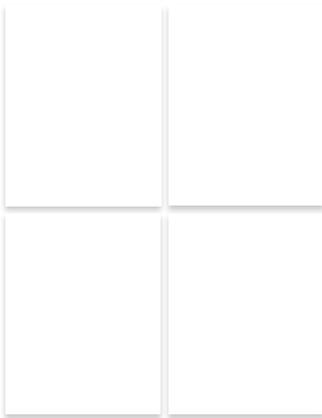
- Your new house location may be in an “off the beaten” path location or in located in areas that aren’t as convenient as older nicer locations.
- Time delays, you may plan to move in by a certain date, but that can easily be bumped back by the builder because of circumstances. This happens often.
- While mold won’t be an issue, the new house will be a cocktail of new chemical smells from new carpet, glue, plastics, paints, stains, etc...

We were even able to change the plans on the house design after they started building. This was nice because if you are quick enough, a good builder will accomodate your wishes without adding much to the cost. If the changes are too complex though, you will have to pay and the time delay could be extended substancially!

If you have any additional point that I may have missed, please share them below in the comments section!

Thanks,

-MR



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20 Responses to *Pros and Cons of Building a House*



Echo says:

May 2, 2011 at 1:20 am

We decided to build as well and it's cheaper to build than to buy in our city too.

Another pro for building is that your house will be more energy efficient with advancements in window design, insulation, furnaces and hot water tanks.

One of the cons to building is that not only is your house "off the beaten path" as you said, but with a newer development you will be living around dirt and construction for a few years before the area is all finished.

The waiting part sucks, we've got another 3 months to go...



Money Reasons says:

May 2, 2011 at 11:56 am

Great Adds!

I can't believe I forgot those aspects... We built our house over 11 years ago, so I forgot about the dirt/dust storms! There was many a weekend that I had to spray the house off (we have a white house) weekly!



Everyday Tips says:

May 2, 2011 at 9:15 am

I watched my in-laws build a house, and it was a mess! The construction company dissolved while they were building which caused huge delays. My inlaws had to move into a hotel for 3 months waiting for the house to be finished. Then things were wrong and had to be redone. It made me never, ever want to build a house. And, like you mentioned, there house was in the

middle of nowhere because there isn't many places to build around here. (Unless you do a tear-down first.)



Money Reasons says:
May 2, 2011 at 11:59 am

Many of the people that we know that built had delays and minor problems too.

You get exactly what you want (most of the time) with building, but it's a pain... that's for sure!

I don't think the next house we buy (if we ever do), will be brand new, but perhaps just newer (perhaps 5 or so years old).



MoneyCone says:
May 2, 2011 at 10:01 am

I agree with ET! If you get good builders then it's awesome – if not, the stress might not be worth it. Plus what if they go over budget or cut corners?



Money Reasons says:
May 2, 2011 at 12:00 pm

Yeah, good points. In our particular case, the builder would have to eat the cost, but in other areas... I'm not sure.



First Gen American says:
May 2, 2011 at 10:23 am

I've known a few people who have built and it was just one delay and fiasco after another. Like being a landlord, it's not for the faint of heart. Sounds like you had a great builder..good for you.

My friend had radiant floor heating installed (the water kind) and then another contractor punched a hole in it and wrecked their brand new kitchen cabinets from flooding. (And this is a family who's husband is a plumber so he supposedly knows all the good people to work with in town.) That was just one example in many.

The main thing I don't like about new subdivisions is the lack of trees and the lack of personality home to

home. The newer neighborhoods seem to have all the same house style all down the street. They don't have as much character as the tree lined streets of older neighborhoods.



Money Reasons says:

May 2, 2011 at 12:03 pm

We got lucky!, our builder actually finished early (which is practically unheard of).

All of what you say is very true! We were fortunate to live close to a part, and walking distance to the junior high, high school and a rec center. It's not to bad for use.

The only think I hate is the small yard that we have...



retireby40 says:

May 2, 2011 at 10:42 am

If you know what you're doing, it's going to be cheaper to build a new house than to buy a new house. It'll take a lot of time and patience though.

building con – I think people tend to go overboard and over build when they design.



Money Reasons says:

May 2, 2011 at 12:05 pm

Actually, now that you mention it, we actually bought our house for less than what it would cost to buy a new home. But only because we had a friend do the flooring at a discounted price.

I agree about the over building! I've seen that before too!



Jessica07 says:

May 2, 2011 at 10:46 am

Before we moved out to this ranch, we had looked into buying a house and found the same thing you did. It would have cost the same (sometimes less) to build the house of our dreams than to buy one already made. The only con for us would have been the timeframe—the

limbo of between house and no house. Life kind of changed our plans, but if we would have went one way or the other it definitely would have been to build.

I think the decision lies mostly in the area in which you live. I agree with the others who have commented—take your time checking out potential builders. Always get a list of references and check them out diligently! 😊



Money Reasons says:
May 2, 2011 at 12:08 pm

Great points!

Buy a house (new or used) is one of the largest purchases most people make life, so why rush it!

It literally took us longer than 6 months to decided where to live. We took into account demographics, income levels, school system ratings, convenience, aesthetic factors, and so on.

While our house isn't perfect (I hate my yard), it's a great house in a great neighborhood.



krantcents says:
May 2, 2011 at 12:36 pm

In the Los Angeles area, I would be limited by the location of vacant land. This is a significant problem as well as how much it costs. I would love to build a house and have it off the electrical grid.



Money Reasons says:
May 2, 2011 at 5:32 pm

I bet, in the city, building a house just isn't a real options!



Little House says:
May 2, 2011 at 1:17 pm

I'm hoping that someday in the near future, we can build our own "little" house. (Especially if we end up moving north where land is more available!) I've found so many awesome designs that would fit our lifestyle

more so than buying a fixer-upper and then having to remodel.

p.s. love that spaceship house. 😊



Money Reasons says:
May 2, 2011 at 5:31 pm

I can see where a small house would have a quant charm and appeal.

Yeah, that spaceship house is a trip, although I bet the neighbors aren't so keen on it. 😊



jeff says:
May 2, 2011 at 9:55 pm

Nice post. In my area, people rarely build new houses because it does involve knocking down an old house. This creates more costs and likely makes the project really expensive.



Money Reasons says:
May 2, 2011 at 10:41 pm

Ahh, you must be in a very urban city area! Yep, that definitely wouldn't be worth it 😊

I can imagine San Francisco, New York City and other larger cities being that way.

Real Estate 101 - Market Dynamics - Hope to Prosper

May 8, 2011 at 2:34 pm

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Mary Martinez @ Builders in Melbourne says:
June 10, 2011 at 6:20 am

Base on my countless experience as a builder, deadlines or date of completion in building a house is never on the date, there is only 1% chance that it will be on date. It is better to add another 2 months on the expected date to be finish rather than getting disappointed at all.

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